

Local Food Promotion Program (LFPP) Final Performance Report

The final performance report summarizes the outcome of your LFPP award objectives. As stated in the LFPP Terms and Conditions, you will not be eligible for future LFPP or Farmers Market Promotion Program grant funding unless all close-out procedures are completed, including satisfactory submission of this final performance report.

This final report will be made available to the public once it is approved by LFPP staff. Write the report in a way that promotes your project's accomplishments, as this document will serve as not only a learning tool, but a promotional tool to support local and regional food programs. Particularly, recipients are expected to provide both qualitative and quantitative results to convey the activities and accomplishments of the work.

The report is limited to 10 pages and is due **within 90 days** of the project's performance period end date, or sooner if the project is complete. Provide answers to each question, or answer "not applicable" where necessary. It is recommended that you email or fax your completed performance report to LFPP staff to avoid delays:

LFPP Phone: 202-720-2731; Email: USDALFPPQuestions@ams.usda.gov; Fax: 202-720-0300

Should you need to mail your documents via hard copy, contact LFPP staff to obtain mailing instructions.

Report Date Range: (e.g. September 30, 20XX-September 29, 20XX)	9/30/15-9/29/16
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Recipient Organization Name:	University of Arizona
Project Title as Stated on Grant Agreement:	Determining the viability of a county wide food hub
Grant Agreement Number: (e.g. 14-LFPPX-XX-XXXX)	15LFPPAZ0047
Year Grant was Awarded:	2015
Project City/State:	Casa Grande, AZ
Total Awarded Budget:	\$21,648

LFPP staff may contact you to follow up for long-term success stories. Who may we contact?

☒ Same Authorized Representative listed above (check if applicable).

☐ Different individual: Name: _____; Email: _____; Phone: _____

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1. State the goals/objectives of your project as outlined in the grant narrative and/or approved by LFPP staff. If the goals/objectives from the narrative have changed from the grant narrative, please highlight those changes (e.g. “new objective”, “new contact”, “new consultant”, etc.). You may add additional goals/objectives if necessary. For each item below, qualitatively discuss the progress made and indicate the impact on the community, if any.

- i. **Goal/Objective 1:** Develop a public information packet to be used by extension staff, steering committee members, and project volunteers to create public awareness.

a. Progress Made:

- News Column, Casa Grande Dispatch, Tri-Valley Section, “Has time come to organize a food hub in Pinal County?” July, 2016.
- Trifold Leaflet, Pinal County Cooperative Extension. A Food Hub in Pinal County. 2017.
- Food Hub Starter Kit. Southern Sustainable Agriculture Working Group. SARE website.

b. Impact on Community:

The popularity of farmer’s market and community supported agriculture has helped create interest in local food and home grown produce. However, the idea of a central aggregation center, is still foreign to many. With the use of the trifold leaflet and online resources, such as the “Food Hub Starter Kit” of the Southern Sustainable Agriculture Working Group, individuals and groups find the concept easier to understand and envision. To create or select these items, our committee members engaged in research and visited similar operations such as the co-op farm at San Xavier or YC grown in Chino Valley to fully understand all the moving parts of Food Hubs and marketing locally produced food.

Our committee, together and independently, dedicated significant time and resources reading and analyzing feasibility studies, needs assessments, and business plans of other food hubs, some successful and some failed, to gain more knowledge about local markets, training for volunteers, distribution channels, public outreach, and many other important aspects of starting and successfully operating a food hub. Knowledge from this along with the many years of experience our committee members have in agriculture, volunteer programs, education, and business were all utilized to create packets for future volunteers.

Volunteers have used in the past and will continue to use informational packets to introduce the food hub to members of the public, to create further interest, and to drive the project forward into the future. The impact of our project is measured in the number of interested producers in the county and others in the concept of a food hub. As we continue to work towards implementation, we anticipate that understanding and interest will continue to grow. The intended impact of these packets is to provide knowledge, create interest, and build support for a local food hub and the benefits that a food hub could bring to Pinal County.

- ii. **Goal/Objective 2:** Enhance and strengthen the existing steering committee of producers and community leaders and help them engage additional potential interested individuals to create an essential Food Hub framework.

a. Progress Made:

- L.A. Director, the Future Forward Foundation. L.A. has experience running an organization that works to improve health and wellness of residents and is very knowledgeable on the Local Food movement. She is committed to the concept of a food hub in Pinal County. Lina provided much guidance and enthusiasm for the project.
- J.R., formally of Central Arizona College, Director of the Small Business Development Center. J.R. ran the small business development center and has valuable experience for started small businesses that are also valuable for a non-profit organization.

- D.B., Pinal County grower, former cattle ranch owner, Master Gardener volunteer. D.B. has experience running own business and has much knowledge of crop production, animal production, and gardening.
- K.G., University of Arizona, 4-H agent. Kim is the Pinal County 4-H Cooperative Extension agent. She is experienced with working with children, volunteers, and members of the community.
- G.R., producer. G.R. is a local farmer operating out of Florence who has already begun to grow fruit and vegetables on his farm.
- S. N., works in agricultural economics. His knowledge was valuable in our planning process to determine costs and outputs, as the project progresses and looks for other expenditures, his knowledge of economics and the market will be key.
- R. G. Agricultural Extension agent in Pinal County, Statewide area SARE agent. He served as chair of the steering committee.

b. Impact on Community:

The steering committee ultimately ended up consisting of a solid core of volunteers and professionals with a common vision in mind. Our project began with just a few individuals during the planning phase. As work began and the project grew, so too did the size of the steering committee. More members with unique experiences and knowledge added their interest and commitment to complete the planning portion of the project. As the project now continues to grow and expands towards implementation, additional team members will be added. These members will be selected based upon their relevant experience to drive the next part of the project which is to plan for implementation when sufficient support becomes evident.

Goal/Objective 3: Perform a county-wide Needs Assessment to determine the production, aggregation, processing, distribution, and outreach needs, including the types of structure needed to best serve the stakeholders and consumers.

c. Progress Made:

- Various needs assessments from other organizations were identified and examined
- Sections were selected from assessments and others were created to meet our specific needs
- Data from various sources including the USDA website, the US Census, and surveys were used. Information on the health, income, diet, and buying tendencies of residents was examined. The size and structure of the agriculture market and the profitability of farms was also examined.
- Chapters of the assessment were divided up between committee members to complete
- Once completed the document was reviewed and revised multiple times by everyone involved in the assessment

d. Impact on Community:

To complete the needs assessment, the steering committee first needed envision the various elements to be addressed. Various assessments from across the country were analyzed and reviewed to identify and understand the key aspects of the market and community that needed to be analyzed. In so doing, the committee gained much valuable knowledge and was able to create an outline for the assessment. In completing this project, we were able to thoroughly analyze our local food system and clearly determine if Pinal County currently has the need and the capacity to support a food hub.

- iii. **Goal/Objective 4:** Utilize the findings in the needs assessment, key stakeholders identify and characterize the essential elements of feasibility study and assemble the instruments necessary to conduct the survey.

a. Progress Made:

- The needs assessment identified important data gaps that needed further study
- Business plans from other organizations were dissected to help create an outline
- Information from the USDA Rural Development Handbook provided information on necessary elements to examine
- A graduate student from the University of Arizona provided key assistance in conducting and analyzing the feasibility study
- Key findings set the stage for an informed decision by the steering committee

b. Impact on Community:

After completion of the needs assessment, the steering committee was excited to proceed forward with work on a feasibility study. By reviewing previous studies, our committee identified critical data gaps in the information that would need to be addressed. This included information such as average fruit and vegetable consumption, current sources of produce, interest in local food, importance of cost, and other shopping behaviors. Surveys specific to consumers, producers, and institutions (hospitals, prisons, schools, etc.) were created by a University of Arizona graduate student experienced in feasibility studies to fill the gaps in our knowledge, particularly those that would impact the success of the hub. The feasibility study findings led the steering committee to understand that while the needs of the community promised hope for a future food hub, the timing was not quite right for an implementation effort at this time. The availability of a sufficient number of both producers and distribution consumers appeared to be insufficient at this time to move forward with the development of a food hub operation.

iv. Goal/Objective 5: Assist the Steering Committee and other stakeholders to make an informed decision.

a. Progress Made:

- After completion of all deliverables, conducting surveys, and completing site visits, the steering committee was able to make an informed decision relative to a food hub project
- A careful review of the data, it was decided to move forward carefully with continued education and outreach towards implementation, but for the time being our recommendation would be to focus on business plans that would require little overhead and risk, such as farm to school, CSAs, and mobile farmer market

b. Impact on Community:

Because of the large number of lower income bracket residents in Pinal County, identified in the needs assessment as being in danger of malnourishment, and the apparently large potential market for local foods, the steering committee found nothing in either study to lead them to believe that a food hub in Pinal County would be anything but a valuable resource to both consumers and producers. The growing number of local food producers indicate that there is a need for an aggregation and distribution center for local foods in Pinal County. However, the feasibility study indicated to us that the total number of producers and consumers firmly committed to local food production and usage was not yet sufficient to support the creation of a hub at this time. The members of the steering committee continue to believe that a successful food does indeed have the potential to greatly improve the lives and health of a significant portion of the people of Pinal County. Because of this, additional education and outreach efforts will continue as we move forward.

2. Quantify the overall impact of the project on the intended beneficiaries, if applicable, from the baseline date (the start of the award performance period, September 30, 2015). Include further explanation if necessary.

i. Number of direct jobs created: Not Applicable

- ii. **Number of jobs retained: Not Applicable**
- iii. **Number of indirect jobs created: Not Applicable**
- iv. **Number of markets expanded: Not Applicable**
- v. **Number of new markets established: Not Applicable**
- vi. **Market sales increased by \$ Not Applicable and increased by Not Applicable %.**
- vii. **Number of farmers/producers that have benefited from the project:**
 - a. **Percent Increase: Not Applicable**

3. Did you expand your customer base by reaching new populations such as new ethnic groups, additional low income/low access populations, new businesses, etc.? If so, how?

Not Applicable

4. Discuss your community partnerships.

i. Who are your community partners?

Central Arizona College, the Future Forward Foundation, and the University of Arizona, College of Agriculture and Life Sciences, Department of Agricultural and Resource Economics all provided valuable resources and assistance to this project.

ii. How have they contributed to the overall results of the LFPP project?

With their collective experience in business, community outreach, and local food production they greatly furthered the efforts of the steering committee to determine if a food hub would be possible for Pinal County. Each, acting in their areas of expertise lent synergy to the project.

- **Central Arizona Small Business Center-** Accounting, advertising, business plan development, business start-up, cash flow management, commercialization of technology, computer applications, customer analysis, environmental management, exporting, financial/loan packaging, government procurement, market research and analysis, management issues, marketing, personnel, positioning, pricing strategies, promotion, and strategic planning.
- **Future Forward Foundation-** Non-profit, traditional Native American gardens, community gardens, rural housing initiatives, classes on grant writing, classes for beginning farmers. The FFF also plants trees and paints houses in the Florence area to draw in potential homebuyers and investors as well as promote residents to take pride in their community. Another service offered by the foundation that is of particular interest is their "Seed the Future" program. Through this program, the foundation will install a garden complete with a watering system. The gardens are installed at no cost and education and training is provided. In return, the foundation takes 30% of the produced and distributes to the hungry in the area.
- **Department of Agricultural and Resource Economics-** Agricultural economics, natural resource and environmental economics, development economics, applied econometrics.

iii. How will they continue to contribute to your project's future activities, beyond the performance period of this LFPP grant?

- The Small Business Development Center specializes in counseling small firms in many processes of operating a business, including accounting, advertising, business plan development, cash flow management, market research, marketing, and strategic planning. Each of these key elements will be invaluable in the development and completion future plans and activities identified by the needs assessment and the feasibility study as essential future projects and activities.
- The Future Forward Foundation shares similar goals with the steering committee. They are willing to lend their knowledge and experience to help increase food security and reduce poverty. The foundation also provides knowledge to new or prospective farmers and offers classes in grant writing other non-profits. This knowledge and experience found within the foundation will help the steering committee and others to properly envision an aggregation system model that will benefit the underserved in Pinal County and provide insight on how to encourage new producers in engage in the process.

- The Department of Agricultural and Resource Economics will be able to provide key expertise as work continues. In addition, their ability to serve as a disinterested reviewer of the project and its future efforts will be invaluable. Their vast knowledge of agriculture economics and local markets will be important to determine the feasibility of future efforts. In addition, their access to students will almost certainly prove to be an important resource for future work.

5. Are you using contractors to conduct the work?

A temporary employment agency was used to hire a graduate student to assist with the feasibility study process. The expertise provided brought enhanced credibility to the study.

If so, how did their work contribute to the results of the LFPP project?

The feasibility study was performed by a trained graduate student at the University of Arizona with supervision by a senior faculty member.

6. Have you publicized any results yet?

No results have been publicized, but a newsletter and a mailing list have been created to better communicate with stakeholders and the community. Information about the food hub concept was shared as described below. The newsletter and other information distribution techniques, such as electronic media, public seminars, and workshops will be utilized in the future.

i. If yes, how did you publicize the results?

A news article and a trifold leaflet were developed to help publicize the work performed during this study. There was also verbal communication between the steering committee members and stakeholders. This communication network has increased project visibility and provided feedback to the committee.

ii. To whom did you publicize the results?

Communication efforts were directed at the general public, including local producers and potential consumers.

iii. How many stakeholders (i.e. people, entities) did you reach?

The estimated circulation of the Casa Grande Dispatch newspaper is about 8,500 daily. The Extension mailing list reaches about 200 farmers and agricultural industry representatives.

***Send any publicity information (brochures, announcements, newsletters, etc.) electronically along with this report. Non-electronic promotional items should be digitally photographed and emailed with this report (do not send the actual item).**

7. Have you collected any feedback from your community and additional stakeholders about your work?

Except for internal reviews, the committee has not yet collected formal feedback from stakeholders on the needs assessment and feasibility study. However, the findings from the studies will become essential elements of our upcoming educational program.

i. If so, how did you collect the information?

Data for the feasibility study were collected through face-to-face interviews conducted at grocery stores by a program aide.

ii. What feedback was relayed (specific comments)?

The surveys indicated that there was some interest among local consumers in buying local food but many respondents did feel their access to locally produced fruit and vegetables was limited. From the responses, it is apparent that cost would be the largest factor affecting how residents made purchase decisions.

8. Budget Summary:

- i. **As part of the LFPP closeout procedures, you are required to submit the SF-425 (Final Federal Financial Report). Check here if you have completed the SF-425 and are submitting it with this report:** ☒
- ii. **Did the project generate any income?**
No income has been generated from this project.

a.If yes, how much was generated and how was it used to further the objectives of the award?

Not Applicable

9. Lessons Learned:

- i. **Summarize any lessons learned. They should draw on positive experiences (e.g. good ideas that improved project efficiency or saved money) and negative experiences (e.g. what did not go well and what needs to be changed).**

We went into this project thinking that there was a simple and somewhat easily implemented solution to creating a local food network in Pinal County. All we needed to do was to provide a hub that would aggregate produce from growers, process the produce, package it, and deliver it to a distribution channel. Much to our surprise, we discovered that there wasn't an enthusiastic acceptance of the concept by the growers (in fact, we were able to identify only a handful of potential members) and there weren't direct market channels clamoring for local produce. We also looked to our neighboring counties (Maricopa, Pima, and Yavapai) for successful projects that we could extract helpful examples but we discovered that they were in a situation like ours. Finally, we wanted to have our local food solutions come from our community so we designed our project with the majority of the work being done by volunteers.

- ii. **If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem-solving:**

We found it difficult to expand the size of our steering committee. It was difficult to find individuals who had valuable experience or knowledge for the project, were interested in local food, and had the time and desire to fully commit to the project. For other organizations that would like to attempt a similar feat, it would be good to make it a top priority to find people in your community that will help drive the expansion and completion of your project.

- iii. **Describe any lessons learned in the administration of the project that might be helpful for others who would want to implement a similar project:**

Administratively, our project proceeded forward according to plan. The biggest challenge was to mesh the schedules of each of the major participants, all of whom had other significant obligations during the period of this project. However, all were deeply committed to the project.

10. Future Work:

Now that we are at the end of this project, team members are left with mixed emotions. On the one hand, we are disappointed that we were unable to develop a viable implementation plan for a local food hub. On the other hand, we are relieved that we took the time to research local food hubs and didn't jump into a design based on our original assumptions that would probably be doomed to failure and cost tens of thousands of dollars. Moving forward, we will be looking into the following items:

- Direct marketing options other than Farmer's Markets and CSAs need to be researched and tested. Consumers want local produce, but they also want convenience and price. We can test market mobile markets (i.e. HOA, Mobile home parks, and food banks) with very little cost and most, if not all the cost, can be borne by the participating growers. Direct marketing has the advantage to small producers that it does not require food safety certification or demand the quality or packaging specifications of a farm-to-school or farm-to-wholesale channel.
- Farm-to-School is a channel that needs a good deal of additional research. Schools are being actively encouraged by the USDA to develop Farm-to-School programs. Our research done to date indicates that this option is very viable but it does require considerable planning. Many school culinary staffs are used

to preparing meals from highly processed products that only require unwrapping and heating. Local produce requires more processing and recipe based preparation. Some school kitchens could find this to be a real challenge. Growers (or their co-op) will have to provide produce that the staff can prepare and the children will enjoy. Producers may need to assist the school staff to test products that may be new to the children and provide 'Meet the Farmer' classes to help the children connect with the local produce concept.

- Farm-to-Institution is another channel that could provide local food opportunities. Besides hospitals, Pinal County houses several government and private prisons. So far, our contact with these institutions has been introductory at most but we are encouraged that several institutions have shown preliminary interest.
- Farm-to-Wholesaler is a channel that we only recently started researching. A possible factor for the decline of Farmer's Markets and CSAs may be partially the result of grocery stores implementing 'Grown in Arizona' sections in their produce aisles. This puts significant pressure on the direct market producer but it also provides an opportunity to growers (or co-ops) that are willing to meet the stringent food safety, quality, and packaging requirements of wholesalers and their customers. The limited research that we have done indicates that wholesalers are actively searching for local food producers that can meet their specifications. Having a single entity representing the interest of producers in the county would help ensure fair prices and allow producers to work together instead of competing against each other.
- Cultivating small acreage producers is a definite challenge. There are hundreds of potential growers in Pinal County. Beginning farmer classes of 60+ students each year is a testament to the interest. Once these potential growers graduate from their class, they will need follow-up support and mentoring. In some cases, they will need financial assistance putting together the infrastructure required to start farming. To make these small acreage farmers successful will require coordinated efforts of local colleges, the county extension service, USDA agricultural agencies, and seasoned local farmers willing to act as mentors.
- Cultivating large acreage producers is another equally challenging opportunity. Getting existing farmers to switch from growing commodity crops to fruits and vegetables will not be an easy task. Many of them are multi-generation farmers who are not willing to 'risk the farm' on a switch that would be both financially challenging and present new growing, irrigation, and harvesting requirements that they have never experienced. The key to converting large acreage producers will be to get one or two growers to accept the challenge and slowly begin converting their acreage. If successful, these farms could be demonstration sites that would act as a proof of concept to other more hesitant farmers. A member of our committee has already started growing food, but has had difficulty selling his product without the distribution channels a hub would provide.
- Develop and Expand the local food coalition will be a key to a successful local food operation. The county is filled with silos operated by public and private individuals and organizations that have the potential of being involved in a local food coalition. We have identified that bringing these groups together is a difficult task if you don't have any functioning programs. We currently find ourselves in a 'chicken and egg' dilemma that doesn't seem to have any easy solutions. One option would be to join forces with similar coalitions in our neighboring counties which would provide us with more opportunities to get even the most basic programs up and running. As the local implementation of the cooperative programs grows, the Pinal County Coalition would have the option of spinning off on its own when financial and programmatic opportunities present themselves.

There is no question that we would have preferred that this project resulted in an implementation plan for a Pinal county food hub. The reality is that a good deal of planning work still needs to be done. This does not mean that we can't start implementing small test programs. These projects will require limited resources and can be easily expanded into permanent programs if successful or dropped with limited negative impact if unsuccessful. If nothing else, this project has proven that if successful food hubs were easy, there would be a lot more of them.